

## **Vulnerability to crime in economic sectors:** Evidence from the hotel, restaurant and café business (Horeca) and the transport sector in Belgium

Noël Klima

**Project DANGER:** [www.law.ugent.be/ircp/danger](http://www.law.ugent.be/ircp/danger)

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## Methodology

- Explorative qualitative bottom-up and circular research process, diversity of sources, content analysis
- **Transport sector:**
  - 33 interviews professionals and LEA agents
  - 4 interviews convicted criminals
  - 26 case files Belgian Federal Police and Customs services
  - 9 informal conversations LEA personnel, academics and professionals
- **Horeca sector:**
  - 17 interviews professionals, public servants, NGO and LEA agents
  - 2 interviews convicted criminals
  - 21 case files Belgian Federal Police
  - 1 case file from the Customs services
  - 2 informal conversations administrative city servants

## Major findings transport sector

- Transport network indispensable for certain criminal activities, attractive because of capacity to carry all kinds of goods
- Vulnerability to crime
  - High economic pressure on SME's and self-employed drivers (searching for ways to survive, open to offers by criminals)
  - Lack of crime prevention among SME's and self-employed drivers (vehicles, goods)
  - Unsecured infrastructure (case of unsecured parking facilities)
  - Lack of control of shipping agents (key positions with expertise and knowledge)
  - No pure transport front corporations (too high pre-conditions), but mala fide 'run-of the-mill' enterprises as business partners (dummy firms easy to start, no preconditions, insufficient control)
  - Vulnerability: Rental companies?
    - may be used by many, due diligence or control duties?

## Major findings Horeca sector

- Vulnerability: elementary grey underground economy
- Reinforced by the following issues:
  - High turnover of personnel (no crime prevention possible, black labour, employee crime)
  - Low profitability of enterprises (search for new ways to survive)
  - Inadequate VAT legislation (impossible to comply business-economically)
  - Lack of control on external bookkeepers (provision of necessary expertise)
  - Lack of control of suppliers (starting point of grey circuit, pressure)
- Particularly vulnerable to (organised) criminals
  - Culture of silence ('everyone involved in grey circuit')
  - Easy to start-up and run an enterprise (no preconditions, insufficient control)
  - Vulnerability: a meeting point for criminals?
    - See other publicly accessible places e.g. Fitness clubs, saunas
    - Is the HORECA particularly vulnerable? (focus on criminal activity, public-private character discussion, real leisure time of criminals, role of owners)

## Conclusions from both sectors

- Common vulnerabilities
  - Two-fold: inadequate sector conditions and lack of/insufficient control
  - General structure of economic regulation
  - Weak economic conditions of players
  - Size does matter: Self-employed and SME's
  - Insufficient control of key positions
  - Insufficient control business partners
- Differences/specifics
  - Local Horeca vs. international transport sector
  - Transport network indispensable for certain criminal activities, attractive because of capacity to carry all kinds of goods
  - No pure transport front corporations, but mala fide 'run-of the-mill' enterprises as business partners
  - Elementary grey underground economy in Horeca as basis for more serious crimes



## Background

- Ghent's antecedent studies on vulnerability to organised crime (opportunities in legal environment)
- Searching for structures, relations, interdependencies, mechanisms and conditions within economic activities that play a crucial role with respect to crime
- Multiple theoretical approaches to explain crime (integrative due to complexity of crime and environment)
- Vulnerability is not static – varies over time and space (liquid)
- How can we conceptualise and assess vulnerability to crime in the context of economic activity?

## Some indications for assessing vulnerability to crime

- What is the role of the sector (victim and/or perpetrator)? – stakeholder perspective is important (sector professionals, police, policy makers, etc.)
- Pre-labelling as organised crime from a vulnerability perspective is not helpful - rather use criminal activities
- This should be complemented by knowledge of perpetrators/groups/networks/... who is attracted to and capable of exploiting vulnerabilities?



## Summary & next steps

- Vulnerability to crime is two-fold: insufficient sector conditions and lack of/insufficient control conditions
- Create an assessment model for economic sectors that takes these findings into consideration
- Combine vulnerability to crime with harm approach of KU Leuven (DANGER II panel session)

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